

12 March 1979

MEMORANDUM FOR THE RECORD

Staff Meeting Minutes of 12 March 1979

25X1

The Director was out of the city; Mr. Carlucci chaired the meeting. []

Lehman said that he had no new developments to report on the Middle East talks. Noting that press reports were confusing, Mr. Carlucci highlighted his understanding of the current status of the talks. Bowie

25X1

[]
Lehman reported that the coup expected in Afghanistan this morning did not materialize. He opined that sooner or later a successful coup would be launched. []

25X1

Taylor said that his office was trying to schedule a dry run with the DDCI and the deputies for next Monday's session with the SSCI on the CIA program. Mr. Carlucci noted the need to shorten his planned testimony considerably. Taylor concurred, saying that the committee wanted to spend an hour and a half on covert action. Mr. Carlucci said that he found that disheartening. []

25X1

[] advised that recent press articles have highlighted the intelligence relationship between Britain and the U.S. He called attention to such an article in today's New York Times (attached) and in one of the weekend editions of the London Observer. []

25X1

25X1

[]
[]

25X1

[] advised that House Appropriations Committee Staffer Snodgrass has arranged an extensive 5-hour hearing consisting of all the principals involved in SALT-related matters. []

25X1

25X1

[] reported that an analyst briefing of Senator Culver [] was well received; the HPSCI is considering a public report on the coverage of the Soviet/Vietnamese/Chinese situation as an example of an intelligence success; and legislative highlight books were available for those interested. []

25X1

25X1

25X1

25X1

25X1

SECRET

Calling attention to an article in today's Washington Post about a GAO report on classification (attached), Lapham asked if anyone had been aware of the report. [] said that he had not been and suggested that the report sounded as though GAO was talking about NSA. Mr. Carlucci suggested that [] try to obtain a copy of the report and that consideration be given to a letter for his signature to Elmer Staats complaining about not having had an opportunity to review the report. Lapham agreed with the latter suggestion. (Action: RM) []

25X1

25X1

25X1

25X1

Lapham advised that the Department of Defense will need a new representative to discuss charter legislation to replace [], who has announced his resignation. []

25X1

25X1

Lapham noted that the Wisconsin case regarding whether or not a magazine should publish an article on how to construct a hydrogen bomb is one of the most publicized and difficult cases involving the First Amendment in some time. []

25X1

Wortman announced that he has named [] as his Associate Deputy and [] as Director of Personnel. He said that he would welcome any suggestions for the vacant positions of Director of Training and Director of the Office of Data Processing. []

25X1

25X1

25X1

Mr. Carlucci mentioned that he and the Director expected to receive a written report from the NAPA team by the end of the week, and the Director also planned to meet with the team and discuss the report orally. []

25X1

25X1

Shackley reported that over the weekend Aaron approved an SR-71 flight, and the first flight will probably take place on 15 March. In response to Mr. Carlucci's question, Shackley confirmed that [] the only ones who have not cleared the flight. []

25X1

25X1

SECRET

SECRET

Shackley said that [] is being examined in order to respond to a request from the Ambassador for information on PDRY forces. In response to Mr. Carlucci's question, McMahon said that he would check to determine whether or not the daily intelligence [] has begun. (Action: DDO) []

25X1

25X1

25X1

Shackley advised that members of his staff are on call to bring copies of the collection summaries [] to Congressman Boland, who plans to read them while the staffers wait and then return them. []

25X1

25X1

25X1

In response to Lapham's question, Evans responded that the minutes of the 6 March SCC meeting have not yet been received. He noted his understanding that [] had the draft and one item was being questioned. []

25X1

25X1

25X1

SECRET

25X1

THE NEW YORK TIMES, MONDAY, MARCH 12, 1979

British-U. S. Intelligence Links Are Expected to Become Even Closer

By ROBERT D. HERSHEY, Jr.

Special to The New York Times

LONDON, March 11 — The loss by the United States of its Iranian listening posts is likely to result in still closer intelligence links with Britain, links that are already far closer than is generally recognized.

Experts say that data about the Soviet Union that had been obtained from the Iranian ground stations must now come from satellites or reconnaissance flights. But though there is heavy reliance on British help in both these areas, in at least one crisis — the 1973 Middle East war — Britain showed that even the closest ally was not to be taken for granted.

In that episode Prime Minister Edward Heath withheld for several days permission for United States U-2 spy planes to use the British base in Akrotiri, Cyprus, for flights over the Middle East battlefields.

This, according to an American researcher and writer living in Britain, was the main reason for a well-publicized outburst by Secretary of State Henry A. Kissinger. He said at the time that the NATO partners were acting "as if the alliance did not exist."

Many people thought Mr. Kissinger's remarks were prompted by West Germany's refusal to allow the United States to

use its bases in that country to resupply Israel. Others attributed them to general frustration.

The American researcher, Brian B. Beckett, has supplied The New York Times with information based on conversations with what he said were four sources here. They included an official at the Ministry of Defense directly involved with flights by U-2's and the plane's successor, the SR-71.

Among the official's assertions was that the U-2 pilot Francis Gary Powers was briefed in Whitehall a few days before his ill-fated flight over the Soviet Union. Mr. Powers, it was also suggested, was destined for Britain rather than Bodø, Norway, as was alleged shortly after his craft was shot down on May 1, 1960. Mr. Powers received a guided tour of the Defense Ministry and was shown the top-secret section of the communications room. This, Mr. Beckett quoted the official as having said, "housed the direct line with the C.I.A. in Washington."

After the 1973 incident, in which the British delayed permission for the Cyprus base to be used until the war was almost over, Washington removed the special line. It had been installed in the late 1950's to coordinate spy flights from Britain and Western Europe.

The relationship covering spy flights, however, is said to continue to the present, with about one mission a week leaving from British territory. Normal intelligence channels are now used for these operations, which in recent years always involved the code word "Poppy." Some of the planes were sent in crates for assembly here or on other British territory.

The Defense Ministry, in response to inquiries yesterday, confirmed that American reconnaissance planes "do still visit" Britain "from time to time." These are presumably California-based SR-71's since the U-2 has been retired.

Another direct communication channel

has been established between the British Defense Ministry and Washington to deal with information received at the intelligence center. Communications over this line are said to have increased sharply in the past year.

When asked about the center, the

ministry spokesman stressed that it was a British unit operating "in support of the British contribution to NATO." He said its work was largely in support of British operations and that it would be wrong to assume that the unit was created especially for American-generated data.

Open-Government Orders Evaded

GAO Finds 'Secret' Stamp Widely Used

By Bernard D. Nossiter

Washington Post Staff Writer

Central Intelligence Agency in deep wholesale evasion of White House orders aimed at more open government.

This is the essence of a report by the General Accounting Office to be released today.

The GAO, an investigating arm of Congress, discloses that the Pentagon counted 3.6 million messages it classified in 1977. But one Pentagon unit alone, the National Security Agency, acknowledged that it had stamped as secret from 50 million to 100 million messages—at least more than 13 times the reported total.

In the same year, the CIA reported it had classified or declassified 587,000 documents. The GAO cited an agency acknowledgement that the total two years earlier was in "the neighborhood" of 5 million.

All departments of government combined told a White House inter-agency committee they had made 4.5 million decisions to classify in 1977. The actual number, says the GAO, "is not known" but "could range from 70 million to 100 million or higher."

The congressional accountants conclude that presidential orders to cut back on the misuse of secrecy stamps "have been ineffective." Executive branch watchdogs in charge "did not



SEN. WILLIAM PROXMIRE
... charges abuses by Pentagon

enforce" their own orders, failed to check closely and "received poor cooperation from some agencies." The GAO notes one problem is that the White House monitors include repre-

sentatives from the agencies that most frequently break the rules.

To Classify

Sen. William Proxmire (D-Wis.), however, charged in a statement that the study reveals "massive overclassification of national security documents and flagrant noncompliance by the Pentagon and other agencies with procedures set up to prevent abuses of the classification system." Proxmire is chairman of a Joint Economic subcommittee that requested the GAO study.

The first presidential order to curb abuse of classification was issued by Richard M. Nixon in 1972. It instructed all agencies to review and count their use of "secrecy" stamps and, with few exceptions, make public all classified government papers in six to 10 years.

President Carter, contending there was still too much secrecy in government, issued a new order last year to declassify most papers in six years.

The GAO, however, reports that the Carter order, as interpreted by the agencies, actually may have increased secrecy by expanding the number of those with power to wield the classification stamp.

See **CLASSIFY**, A8, Col. 1

'Secret' Stamp Remains In Wide Use, GAO Finds

CLASSIFY, From A1

The GAO discloses that the White House interagency group overseeing the program misled Congress and the public in its 1977 report.

That document asserts that 80 percent of the papers studied for classification were placed in a category that ultimately would open them to the public. But this box score left out the Pentagon, the Energy Department and the CIA. Between them, they account for 97 percent of the secrecy stamps, and the "overwhelming majority" of their decisions put papers in "exemption" categories—not for public disclosure.

For the most part, the Pentagon defended its failure to count and index classified documents on the grounds that it would take too much time and cost too much. The Pentagon said it had made a study of indexing and concluded it would cost \$20 million to \$50 million. GAO asked to see this report and was told it could not be found.

An unnamed Army commander quoted in the GAO report said he had not bothered to collect required statistics and, "by not doing so, we achieve a significant cost avoidance."

Both Presidential orders call for reducing the number of officials allowed to use "secrecy" stamps to curb misuse. A zealous National Security Agency complied by empowering only two persons to classify the tens of millions of documents it marks "secret" each year.

However, the Nixon order was evaded by the Pentagon and others who set up "guidelines" so that thousands of bureaucrats could classify without specific authorization.

The Carter order specifically approves the "guidelines" technique. According to Proxmire, this means "virtually anyone in the Pentagon with security clearance can classify information . . . clerks and stenographers. . . ."

A Defense Department rebuttal by David O. Cooke, a deputy assistant secretary, says that the GAO study "does not present in accurate perspective a realistic picture" and is "not fully sensitive" to the Pentagon's efforts. He does not quarrel with any of the statistics.

Proxmire concluded that the "executive orders have not been effective" and urged legislation be enacted to "bring the classification problem under control."

P. 2 of 2

ARTICLE APPEARED
ON PAGE A8THE NEW YORK TIMES
11 March 1979

C.I.A. Sought to Put Wiretap on Aide to Ayatollah

By DAVID BINDER
Special to The New York Times

WASHINGTON, March 10 — The Central Intelligence Agency wanted last autumn to wiretap the telephone of Dr. Ibrahim Yazdi, a principal aide of Ayatollah Ruhollah Khomeini, the Iranian religious leader, but was barred from the covert operation because Dr. Yazdi is an American citizen, Administration officials say.

The ruling against the action was made after long disputes in the bureaucracy over interpretations of President Carter's executive order of Jan. 24, 1978, which governs United States intelligence activities.

While the order permits electronic surveillance of American citizens abroad if authorized by the President and approved by the Attorney General, it is generally prohibited under the order's Article 2-202.

The dispute arose while Dr. Yazdi, a clinical pharmacologist, was in France. He functioned there from October through January as an interpreter and occasional spokesman for the Ayatollah Khomeini in the campaign to overthrow Shah Mohammed Riza Pahlavi.

Dr. Yazdi joined the entourage of the exiled Ayatollah in Iraq last year and accompanied him to Paris when the religious leader was expelled by the Baghdad Government.

American officials said the C.I.A.'s interest in the Ayatollah's activities grew as the significance of his opposition to the Shah burgeoned. By late October it had been noted that the Ayatollah's impact on events in Iran was being fostered by telephone calls between his headquarters at Neauphle-le-Château, near Paris, and his supporters in Teheran.

This prompted the suggestion within the C.I.A. that Dr. Yazdi's telephone be tapped as a source of information on the campaign to oust the Shah.

Then, however, it was determined that Dr. Yazdi, who had studied and taught medicine for 10 years in Houston, had acquired American citizenship and was therefore nominally immune under current intelligence regulations from such surveillance.

Yazdi Spent 10 Years in Houston

Dr. Yazdi, a native of Iran, studied at the University of Teheran, earning his bachelor's degree in 1953 and his doctorate in 1957. He left for the United States in 1961 with his wife, who is also Iranian. He completed a postdoctoral course at Baylor Medical College in Houston in 1967 and, until June 1977, served as a research assistant professor in pathology and as an instructor. He also worked briefly as a supervisor in the microbiology unit of the Veterans Administration Hospital laboratory service in Houston.

Sarah Yazdi, one of his six children, who remain in the United States, said in an interview this week that her father, who is 47 years old, remains an American citizen, even though he holds office in the present Iranian Government.

Miss Yazdi, a Rice University student, said she had talked with her father several times by telephone since his return to Teheran on Feb. 1 with the Ayatollah. She disputed reports identifying her father as a Deputy Prime Minister.

State Department officials said they were reluctant to discuss his citizenship status because of his Government role. They said other Iranian Government aides were also American citizens.

The dispute in the C.I.A. over the wiretapping was one of a number of such controversies that have arisen since President Carter's order was issued, officials said.

Agency officials arguing for wiretapping said the order permitted acquisition of "essential information." Article 2-201 states: "Information about the capabilities, intentions and activities of foreign powers, organizations or persons or their agents is essential to informed decision-making in the areas of national defense and foreign relations."

Officials who argued against the wiretapping said the Khomeini movement did not constitute a "foreign power."

A C.I.A. spokesman, queried about the controversy, said the agency would have no comment.